Instrument prepared by:

#### VIRGINIA GAS AND OIL BOARD

Order recorded under:

**CODE OF VIRGINIA** § 45.1-361.26

VIRGINIA:

#### BEFORE THE GAS AND OIL BOARD

APPLICANTS:

CNX Gas Company, LLC on behalf of Larry Absher, et ux, Joel Absher and Jerry T. Absher, et ux according to corrected final order entered on June 13, 2011, Case No. CL11-461 adjudicating ownership

DOCKET NO.

03-1021-1205-01

RELIEF SOUGHT: Issuance:

A Supplemental Order for Disbursement of Escrowed Funds

Action: Amending Prior Orders Affecting Drilling EE-37

Tracts1C, 1D, 1E

(Referenced herein as "the Subject Drilling Unit")

Location:

Tazewell, Virginia

#### **Action Details:**

- (1) To provide a calculation of funds, Unit Operator has deposited into the Escrow Account for Drilling Unit <u>EE-37</u> by Tract Subaccounts;
- (2) To provide each applicant a Royalty Accounting of unit production.

Tax map identification numbers for all parcels affected by this order are shown on Exhibit EE which is attached to and a part of this order.

### REPORT OF THE BOARD FINDINGS AND ORDER

- 1. Hearing Date and Place: This matter came on for final hearing before the Virginia Gas and Oil Board (herein "Board") at 9:00 a.m. on November 15, 2011 at the Russell County Government, Conference Center, 139 Highland Drive in Lebanon, VA.
- Appearances: Mr. Mark Swartz, Esquire, of the firm Swartz & Stump L.C. appeared for the Unit Operator; and Sharon M.B. Pigeon, Assistant Attorney General, was present to advise the Board.
- 36.21 and 45.1-361.22, the Board finds that it has jurisdiction over the establishment and maintenance of an escrow account, with tract sub accounts, for each of the coalbed methane gas drilling units established by the Board through its field rules that are subject to a Board pooling order. Further, the Unit Operator is required to deposit, as applicable, those funds specified in Va. Code § 45.1-361.21.D., 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4 into the applicable escrow tract sub accounts. The Board finds that: (1) while it does not have jurisdiction to resolve conflicting claims to the ownership of the Coalbed Methane Gas produced by the Unit Operator from wells located on Subject Drilling Unit, and (2) while it does not have jurisdiction to interpret agreements by and between the Gas owners/claimants and/or the Unit Operators or to abridge or contravene the provisions of such agreements, (3) pursuant to Va. Code § 45.1-361.22.A.5, the Board does have jurisdiction and authority to disburse funds from the Escrow Account provided the Board has been provided with a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between the conflicting claimants or an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein.

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#### 4. **Prior Proceedings**:

- 4.1. (a) On December 15, 2003 the Board executed its order pooling interests in the Subject Drilling Unit for the production of occluded natural gas produced from coalbeds and rock strata associated therewith (herein "Gas") in accordance with the provisions of Va. Code SS 45.1-361.21 and 45.1-361.22 (herein "Pooling Order"). The Pooling Order was filed with the Clerk of the Circuit Court of Tazewell County on December 22, 2003, Deed Book 898, Page 0237.. The Board executed its Supplemental Order Regarding Elections that was filed with the Clerk of the Circuit Court of Tazewell County on October 19, 2004 at Deed Book 924, Page 860.
- 4.2. To the extent claims to the Gas were in conflict, pursuant to Va. Code S 45.1-361-22 payments attributable to said conflicting claims were ordered deposited by the Unit Operator into the escrow account established by the Pooling Orders (herein "Escrow Account"). According to the Pooling Orders and testimony, the coal estate ownership interests of Coal Mountain Mining Company Limited Partnership, LLP and the gas ownership interests of Larry Absher Tract 1C, Joel Absher, Tract 1D and Jerry T. Absher Tract 1E ere in conflict and became subject to the escrow requirements of the Pooling Order.
- 4.3 The Unit Operator's Miscellaneous Petition regarding Tracts 1C, 1D, and 1E, a copy of which is attached to and made a part hereof, states under oath that Larry Absher, et ux, Joel Absher, and Jerry T. Absher, et ux are entitled to 100% of the royalties according to the corrected final order which was entered on June 13, 2011, Case No: CL11-461, adjudicating the ownership of coalbed methane gas. This order allows the applicant and designated operator to pay royalties directly to the prevailing plaintiffs identified in Exhibit EE annexed hereto and the annexed Exhibit A-1 exhibit, further specifies how said royalties are to be paid.
- 4.3. The Unit Operator gave notice to Coal Mountain Mining Co. Limited Partnership, LLP and the Applicants and the Applicants that the Board would consider its disbursement authorization at its hearing on November 15, 2011 and consider whether to: (1) amend the Pooling Order to provide for the disbursement a portion of funds on deposit in the Escrow Account attributable to Tract 1C, 1D and 1E identified in the attached miscellaneous petition (2) delete the requirement that the Unit Operator place future royalties attributable to f said Tracts 1C, 1D and 1E relative to the interests of Applicants identified in the miscellaneous petition in the Escrow Account, and (3) continue the escrow account under this docket number because there are other parties under this order subject to continued payments in the escrow.
- 4.4. The Unit Operator filed the attached accounting for Subject Drilling Unit's Escrow Account with the Board ("Accounting").

#### 5. Findings:

#### 5.1. Va. Code 45.1-361.22.5 provides:

The Board shall order payment of principal and accrued interests, less escrow account fees, from the escrow account to conflicting claimants within thirty days of receipt of notification of (i) a final decision of a court of competent jurisdiction adjudicating the ownership of coalbed methane gas as between them or (ii) an agreement among all claimants owning conflicting estates in the tracts in question or any undivided interest therein. The amount to be paid to the conflicting claimants shall be determined based on the percentage of ownership interest of the conflicting claimants as shown in the operator's supplemental filing made part of the pooling order that established the escrow account, the operator's records of deposits attributable to those tracts for which funds are being requested, and the records of the escrow account for the coalbed methane gas drilling unit. The interests of any cotenants who have not entered into an agreement shall remain in the escrow account.

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#### (1) Net interests attributable and to be disbursed to Applicants are shown in Table 1,

		VGOB Approved Disbursement						
		Unit EE-37		Fractional	Net Acreage	Royalty	Escrowed	Percent of
		VGOB-03-1021-1205-01		Ownership	Ownership	Split	Acres	<b>Escrowed Funds</b>
				in Tract	in Tract	Agreement	Disbursed	Disbursed
		Table 1						THE WITH SHAPE
		A portion of Tract 3 and 3C						
							Miles &	
tem	Tract	Disbursement Table				4 14		
		Total acreage in escrow before disbursement					34,4600	
	ıc	Tract 1C		10.29				
1	1C	Coal Mountain Mining Co. Limited Partnership LLP		Unknown	10.2900	0.0%		
2	1C	Larry Absher	P. O. Box 907, Raven, VA 24639	Unknown	10.2900	100.0%	10.2900	29.8607%
	1D	Tract 1D		5.43			7 1 2	
3	1D	Coal Mountain Mining Co. Limited Partnership LLP		Unknown	5.4300	0.0%	0.0000	0.0000%
4	1D	Joel Absher	4674 Road Ridge Turnpike, Raven, VA 24639	Unknown	5.4300	100.0%	5,4300	15.7574%
	1E	Tract 1E		3.50				
5	1E	Coal Mountain Mining Co. Limited Partnership LLP		Unknown	3.5000	0.0%	0.0000	0.0000%
6	1E	Jerry Absher	4276 Roadridge Turnpike, Raven, VA 24639	Unknown	3.5000	100.0%	3,5000	10.1567%

#### 6. Relief Granted:

For the reasons set forth in Paragraph 4 and 5 above, and based upon the Accounting and Table 1 above, the Escrow Agent is ordered to, within 10 days of receipt of this executed order to disburse funds for the unit and applicants detailed in Table 1 above.

Exhibit E to the Pooling Order, showing owners subject to escrow, is deleted and replaced with the Exhibit E attached to this order. Further, the Supplemental Order filed in this cause is hereby modified to delete the requirement that payments attributable to the conflicting coalbed methane gas ownership interests of those applicants indicated in Table 1 be deposited by the Unit Operator into the Escrow Account, <u>and</u>, because there are other owners subject to escrow under the Supplemental Order, the Escrow Agent is directed to <u>continue</u> the Escrow Account for Subject Drilling Unit. To the extent not specifically granted herein, any other or further relief is denied.

#### 7. Conclusion:

Therefore, the requested relief and all terms and provisions set forth above in Paragraph 6 above be and hereby are granted and IT IS SO ORDERED.

#### 8. Appeals:

Appeals of this Order are governed by the provisions of Va. Code § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

9. **Effective Date:** This Order shall be effective on the date of its execution.

### BK1107PG0090

DONE AND EXECUTED this 19 day of Dunfu	, 2011 by a majority of the Virginia Gas and Oil Board.
	Bradley C Lambelt, Chairman Virginia Gas and Oil Board
DONE AND PERFORMED this 19th day of pec.	, 2011 by an Order of this Board.
	Rick Cooper Principal Executive to the Staff Virginia Gas and Oil Board
COMMONWEALTH OF VIRGINIA ) COUNTY OF WASHINGTON )	
Acknowledged on this May of Lee , 201	1. parsonally before me a notern public in and for the
Commonwealth of Virginia, appeared Bradley C. Lambert, being de	
the Virginia Gas and Oil Board and David E. Asbary Jr., being duly	sworn did denose and say that he is Principal Evecutive
to the Staff of the Virginia Gas and Oil Board, that he executed the sa	
and the executed the su	and was authorized to do so.
My commission expires: 09 / 30 / 2013	Diane J. Davis Notary Public #174394
	MILLER DIAME BALLE
	NOTARY OF WIRE ALTH OF VIRGINIA
	THE ALTH OF VIRGINIA

#### BERORE THE VINCONIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

RELIEF SOUGHT: (1) DISBURSEMENT FROM ESCROW REGARDING TRACT(S) 1C, 1D, and 1E (2) AND AUTHORIZATION FOR DIRECT PAYMENT OF ROYALTIES

**DRILLING UNIT: EE-37** 

TAZEWELL COUNTY, VIRGINIA

DIVISION OF GAS AND OIL DOCKET NO: VGOB 03-1021-1205-01

**HEARING DATE:** September 20, 2011

#### **MISCELLANEOUS PETITION**

- 1. <u>Petitioner and its counsel:</u> Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, SWARTZ LAW OFFICES, PLLC., 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
- 2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1C, 1D, and 1E as depicted upon the annexed Exhibit A-1; and (2) authorization to begin paying royalties directly to the prevailing plaintiffs; Larry Absher, et ux, Joel Absher, and Jerry T. Absher, et ux
- 3. <u>Legal Authority</u>: Va. Code Ann. § 45.1-361.1 <u>et seq.</u>, 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.
  - 4. Type of well(s): Coalbed methane.
- 5. Factual basis for relief requested: Larry Absher, et ux, Joel Absher, and Jerry T. Absher, et ux are entitled to 100% of the royalties according to the corrected final order which was entered on June 13, 2011, Case No:CL11-461, adjudicating the ownership of coalbed methane gas. This order allows the Applicant and Designated Operator to pay royalties directly to the prevailing plaintiffs identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be paid.
- 6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC

BY ITS PROFESSIONAL MANAGER

CNX GAS COMPANY LLC, RETITIONER

Anita D. Duty

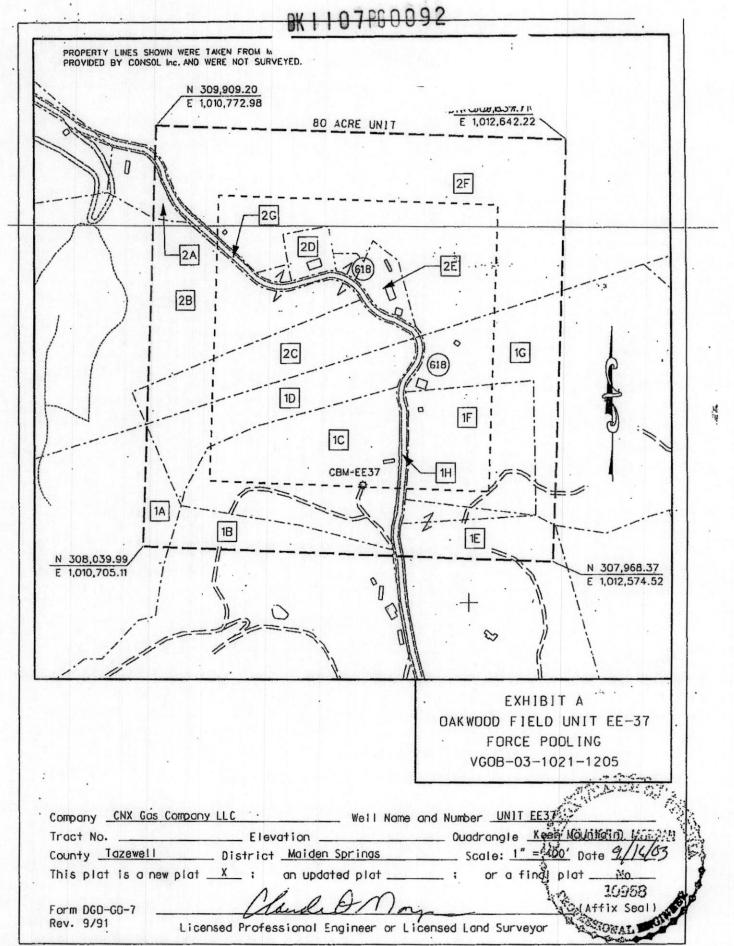
Pooling Supervisor Consol Energy Inc.

2481 John Nash Blvd.

Bluefield, West Virginia 24701



5



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6

## Exhibit A-1 Tract-by-Tract Escrow Calculation Account Balances as of 6/30/11

Unit EE37 VGOB 03-1021-1205-01 Acres Escrowed: 34.46000

Owners	Tract#	Acres	Total Owners' Percent of Escrow (100%)	Amount Due Owners \$197,819.28
Coal Mountain Mining Co. Limited Partnership, LLP - Coal Larry Absher, et ux - O,G & CBM	1c	10.29	29.8607%	\$59,070.24
Coal Mountain Mining Co. Limited Partnership, LLP - Coal Joel Absher O, G, & CBM	1d	5.43	15.7574%	\$31,171.17
Coal Mountain Mining Co. Limited Partnership, LLP - Coal Jerry T. Absher, et ux O, G, & CBM	1e	3.50	10.1567%	\$20,091.92

Wells contributing to the escrow account: EE37 and EE37A

#### BK 1 1 0 7 PG 0 0 9 ENX GAS COMPANY LLC

#### **UNIT EE-37**

**Tract Identifications** 

- 1A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased James M. McGlothlin, et ux Surface and All Minerals except Coal (Tax Map 84A Parcel 1)

  1.32 acres 1.6500%
- 1B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC CBM Leased Harold D. McGlothlin, et ux. Surface And All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84A Parcel 4)

  2.73 acres 3.4125%
- 1C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased Larry Absher, et ux. Surface and All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84A Parcel 106A)

  10.29 acres 12.8625%
- 1D. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased Grady G. McGlothlin Surface and All Minerals except Coal (Tax Map 84A Parcel 2)

  5.43 acres 6.7875%
- 1E. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased Jerry T. Absher, et ux. Surface and All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84 01 Parcel 5A)
  3.50 acres 4.3750%
- 1F. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased James T. Absher Surface and All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84 01 Parcel 5)
  6.96 acres 8.7000%

Page 1 of 2

September 17, 2003

8

### BK 1 1 0 7 PG 0 0 9 5 CNX GAS COMPANY LLC

#### **UNIT EE-37**

**Tract Identifications** 

1G. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased CNX Gas Company LLC - Oil, Gas, CBM Leased James T. Absher – Surface and All Minerals except Coal CNX Gas Company LLC - Oil, Gas and CBM Leased (Tax Map 84A Parcel 4) 6.05 acres 7.5625%

1H. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased CNX Gas Company LLC - Oil, Gas, CBM Leased Jeremiah Cordill Heirs <u>OR</u> Commonwealth of Virginia – All Minerals except Coal Commonwealth of Virginia - Surface (Tax Map 84A Parcel 00) 0.91 acres 1.1375%

2. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 38 - All Minerals Consolidation Coal Company - Below Drainage Coal Leased CNX Gas Company LLC - CBM Leased (Tax Map 84A Parcel 102) 42.81 acres 53.5125%

2A. Charlie G. McGlothlin, et ux. - Surface 2B. James M. MCGlothlin - Surface 2C. Grady G. McGlothlin, et ux. - Surface 2D. Kennith Thomas Osborne, et ux - Surface 2E. Daniel Lee Johnson, et ux. - Surface 2F. James T. Absher - Surface 2G. Commonwealth of Virginia - Surface

# Exhibit E Unit EE-37 White EE-37 Unit EE-37 Conflicting Owners/Claimants that require escrow

		Acres in Unit	Interest in Unit
Tract #1A, 1.32 a	cres		
COAL OV	VNERSHIP		
Lin P.C	al Mountain Mining Company, Tr.18 nited Partnership, L.L.P. D. Box 675 zewell, VA 24651	1.32 acres	1.6500%
OIL & GA	AS OWNERSHIP		
100 Ca	X Gas Company LLC 00 Consol Energy Drive nonsburg, PA 15317 eviously James M. McGlothlin, et ux)	1.32 acres	1.6500%
ract #1F, 6.96 a	cres		
COAL OV	VNERSHIP		
Lim P.C	al Mountain Mining Company, Tr.18 nited Partnership, L.L.P. D. Box 675 zewell, VA 24651	6.96 acres	8.7000%
OIL & GA	AS OWNERSHIP		
) P.C	nes T. Absher D. Box 385 ven, VA 24639	6.96 acres	8.7000%
Tract #1G, 6.05 a	<u>cres</u>		
COAL OV	VNERSHIP		
Lim P.C	al Mountain Mining Company, Tr.18 hited Partnership, L.L.P. D. Box 675 zewell, VA 24651	6.05 acres	7.5625%
OIL & GA	AS OWNERSHIP		
P.C	nes T. Absher D. Box 385 ven, VA 24639	6.05 acres	7.5625%
Tract #1H, 0.91 a	<u>cres</u>		
COAL OV	VNERSHIP		
Lim P.C	al Mountain Mining Company, Tr.18 hited Partnership, L.L.P. D. Box 675 newell, VA 24651	0.91 acres	1.1375%

# Exhibit E Unit EE-37 Docket #VGOB 03-1021-1205-01 List of Conflicting Owners/Claimants that require escrow

		Acres in Unit	Interest in Unit
OIL 8	& GAS OWNERSHIP		
(1)	Jerimiah Cordill Heirs, Devisees, Successors or Assigns Heirs / Addresses Unknown	0.91 acres	1.1375%
	- OR -		
(1)	Commonwealth of Virginia Dept. of Transportation 870 Bonham Rd. Bristol, VA 24201-2002	0.91 acres	1.1375%

## Exhibit EE Unit EE-37 Docket #VGOB 03-1021-1205-01 List of Conflicting Owners/Claimants with Royalty Agreements and/or Court Decisions

		Acres in Unit	Interest in Unit	Percent of Escrow
act #1B, 2.	73 acres			
COAL	OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	2.73 acres	3.4125%	n/a
OIL 8	GAS OWNERSHIP			
(1)	Harold D. and Letha J. McGlothlin 4495 Roadridge Turnpike Raven, VA 24639	2.73 acres	3.4125%	n/a
act #1C, 10	0.29 acres			
COAL	OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	10.29 acres	12.8625%	n/a
OIL 8	GAS OWNERSHIP			
(1)	Larry Absher, et ux. P.O. Box 907 Raven, VA 24639	10.29 acres	12.8625%	29.8607%
Note:	CBM ownership was adjudicated to the prevail The Corrected Final Order was executed June Coalbed Methane Gas underlying this tract.			
act #1D, 5.	43 acres			
COAL	. OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	5.43 acres	6.7875%	n/a

Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11-461
The Corrected Final Order was executed June 13, 2011 and plantiffs were awarded 100% of the
Coalbed Methane Gas underlying this tract.

OIL & GAS OWNERSHIP

4674 Road Ridge Turnpike Raven, VA 24639 (Previously Grady G. McGlothlin)

(1) Joel Absher

5.43 acres

6.7875%

15.7574%

BK 1 1 0 7 PG 0 0 9 9

Exhibit EE Unit EE-37

Docket #VGOB 03-1021-1205-01

List of Conflicting Owners/Claimants with Royalty Agreements and/or Court Decisions

	Acres in Unit	Interest in Unit	Percent of Escrow
<u> </u>			
COAL OWNERSHIP			
<ul><li>(1) Coal Mountain Mining Company, Tr.18</li><li>Limited Partnership, L.L.P.</li><li>P.O. Box 675</li><li>Tazewell, VA 24651</li></ul>	3.50 acres	4.3750%	n/a
OIL & GAS OWNERSHIP			
(1) Jerry T. Absher, et ux. 4276 Roadridge Turnpike Raven, VA 24639	3.50 acres	4.3750%	10.1567%

Note: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11-461
The Corrected Final Order was executed June 13, 2011 and plantiffs were awarded 100% of the
Coalbed Methane Gas underlying this tract.

INSTRUMENT #120000138
RECORDED IN THE CLERK'S OFFICE OF
TAZEWELL COUNTY ON
JANUARY 13, 2012 AT 10:06AM
JAMES E. BLEVINS, CLERK
RECORDED BY: ADR

#### Hagy, Sharon (DMME)

From:

VITASHARE System [vitashare@vita.virginia.gov]

Sent:

Tuesday, January 24, 2012 12:32 PM

To:

Hagy, Sharon (DMME)

Subject:

New Transaction ZGOXNKTD9K73WX7R

Transaction details for Sharon Hagy(user shagy\_1)

Job Id: ZGOXNKTD9K73WX7R

Date: Tue, Jan 24, at 12:32

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive

data.

Recipient's Email example- <u>user1@virginia.gov</u>, <u>user2@virginia.gov</u>:

AnitaDuty@consolenergy.com,dldavis@firstbank.com,gloria.clark@dmme.virginia.gov,hilarey

mullins@consolenergy.com

Message - Describe file attachment: Please see the recorded Disbursement orders for the following dockets: 1083-01 1205-01 Let me know if you are unable to download the files. Thank you, Sharon

Yes

Notify me when the file is downloaded?:

Pin: 77501

Files:

1083-01\_Disbursement.tif 1205-01\_Disbursement.tif

View details here

<a href="http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=ZGOXNKTD9K73WX7R">http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=ZGOXNKTD9K73WX7R>

Total Estimated File Size: 427 KB

Total Number of Files: 2

Estimated Upload Time: 00:00:56

Trust Company Mary 1991/25/2012

Check Number

Less:

Less:

28044

01/25/2012

**Gross Distribution** 

\$61,414.15

Settlement Date Time Modified

01/25/2012

Description

VGOB Docket #03-1021-1205-01 Well: EE37 Tract 1C

Payee

Larry Gale Absher

FBO Tax Year

2012

Transaction Type Distribution Per Virginia Gas & Oil Board

Larry Gale Absher

**Net Distribution** 

\$61,414.15

8001205 - EE37

Trade Date

01/25/2012

Settlement Date

01/25/2012

Time Modified

01/25/2012

Description

VGOB Docket #03-1021-1205-01 Well: EE37 Tract 1C

Payee

Larry Gale Absher

FBO

Larry Gale Absher

Tax Year

2012

Transaction Type Distribution Per Virginia Gas & Oll Board

Check Number

28044

**Gross Distribution** 

\$61,414.15

\$61,414.15 **Net Distribution** 

THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

PAY TO THE ORDER OF

SEE LIST OF SECURITY FEATURES ON THE BACK, DO NOT CASH UNLESS ALL ARE PRESENT.

First Bank & Trust Company Wealth Management Group

TRUST DIVISION 01/25/2012
1108 E. STONE DRIVE • P.O. BOX 3860
KINGSPORT, TN 37664 (423) 245-6971

8001205 - EE37

Sixty one thousand four hundred fourteen and 15/100

\$61,414.15

Dollars

LARRY GALE ABSHER PO BOX 907

RAVEN VA 24639

"028044" 1:0514044641: 2001 004 ?"

Jack & Hy

First Bank & Trust Company

Trade da Mougeney Strong

Settlement Date 01/25/2012

Time Modified

Description

01/25/2012

VGOB Docket #03-1021-1205-01 Well: EE37 Tract 1D

Payee FBO

Joel Louis Absher Joel Louis Absher

Tax Year

Transaction Type Distribution Per Virginia Gas & Oil Board

Less:

**Net Distribution** 

Check Number

**Gross Distribution** 

\$32,408.06

\$32,408.06

8001205 - EE37

Trade Date

01/25/2012

Settlement Date

01/25/2012

Time Modified

01/25/2012

Description

VGOB Docket #03-1021-1205-01 Well: EE37 Tract 1D

Payee

Joel Louis Absher

FBO

Joel Louis Absher

Transaction Type Distribution Per Virginia Gas & Oil Board

Check Number

28045

28045

**Gross Distribution** 

\$32,408.06

**Net Distribution** 

\$32,408,06

THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

First Bank & Trust Company Wealth Management Group

TRUST DIVISION 01/25/2012
1108 E. STONE DRIVE • P.O. BOX 3860
KINGSPORT, TO 37664 (423) 245-6971

8001205 - EE37

\$32,408.06

Janit Hall

**Dollars** 

PAY TO THE ORDER OF

Thirty two thousand four hundred eight and 06/100

JOEL LOUIS ABSHER 4674 ROAD RIDGE TURNPIKE **RAVEN VA 24639** 

"O 28045" 1:0514044641: 2001 004 7"

First Bank E Trust Company

Trade Date Vianugenous 2012

Settlement Date 01/25/2012

01/25/2012 Time Modified

Description

VGOB Docket #03-1021-1205-01 Well: EE37 Tract 1E

Payee FBO

Jerry T Absher Jerry T Absher

Tax Year

2012

Transaction Type Distribution Per Virginia Gas & Oil Board

Check Number

**Net Distribution** 

Less:

Less:

28047

**Gross Distribution** 

\$20,889.16

\$20,889.16

8001205 - EE37

Trade Date

01/25/2012

Settlement Date

01/25/2012

Time Modified

01/25/2012

Description

VGOB Docket #03-1021-1205-01 Well: EE37 Tract 1E

Payee FBO

Jerry T Absher

Tax Year

Jerry T Absher

2012

Transaction Type Distribution Per Virginia Gas & Oil Board

Check Number

**Net Distribution** 

28047

**Gross Distribution** 

\$20,889.16

\$20,889.16

THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

First Bank & Trust Company

TRUST DIVISION 01/25/2012
1108 E. STONE DRIVE • P.O. BOX 3860
KINGSPORT, TN 37664
(423) 245-6971

028047

Wealth Management Group

8001205 - EE37

\$20,889.16

**Dollars** 

PAY TO THE ORDER OF

Twenty thousand eight hundred eighty nine and 16/100

JERRY TABSHER 4276 ROADRIDGE TURNPIKE **RAVEN VA 24639** 

"028047" 1:0544044641: 2004 004 ?"

## Exhibit A-1 Tract-by-Tract Escrow Calculation Account Balances as of 6/30/11

Unit EE37 VGOB 03-1021-1205-01 Acres Escrowed: 34.46000

Owners	Tract#	Acres	Total Owners' - Percent of Escrow (100%)	Amount Due Owners \$197,819.28
Coal Mountain Mining Co. Limited Partnership, LLP - Coal				Marie Company of Company
Larry Absher, et ux - O,G & CBM	1c	10.29	29.8607%	\$59,070.24
Coal Mountain Mining Co. Limited Partnership, LLP - Coal				
Joel Absher O, G, & CBM	1d	5.43	15.7574%	\$31,171.17
Coal Mountain Mining Co. Limited Partnership, LLP - Coal	T		T	
Jerry T. Absher, et ux O, G, & CBM	1e	3.50	10.1567%	\$20,091.92
(2) (14) (14) (15) (15) (16) (16) (16) (16) (16) (16) (16) (16	SEPTEMBER 1			

Wells contributing to the escrow account: EE37 and EE37A

#### **CNX GAS COMPANY LLC**

#### **UNIT EE-37**

**Tract Identifications** 

- 1A. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased James M. McGlothlin, et ux Surface and All Minerals except Coal (Tax Map 84A Parcel 1)

  1.32 acres 1.6500%
- 1B. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC CBM Leased Harold D. McGlothlin, et ux. Surface And All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84A Parcel 4)
  2.73 acres 3.4125%
- 1C. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased Larry Absher, et ux. Surface and All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84A Parcel 106A)

  10.29 acres 12.8625%
- 1D. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased Grady G. McGlothlin Surface and All Minerals except Coal (Tax Map 84A Parcel 2)

  5.43 acres 6.7875%
- 1E. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased Jerry T. Absher, et ux. Surface and All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84 01 Parcel 5A)
  3.50 acres 4.3750%
- 1F. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 Coal Consolidation Coal Company Below Drainage Coal Leased CNX Gas Company LLC Oil, Gas, CBM Leased James T. Absher Surface and All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased (Tax Map 84 01 Parcel 5)
  6.96 acres 8.7000%

#### **CNX GAS COMPANY LLC**

#### **UNIT EE-37**

#### **Tract Identifications**

1G. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased CNX Gas Company LLC - Oil, Gas, CBM Leased James T. Absher – Surface and All Minerals except Coal CNX Gas Company LLC – Oil, Gas and CBM Leased (Tax Map 84A Parcel 4)
6.05 acres 7.5625%

1H. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 18 - Coal Consolidation Coal Company - Below Drainage Coal Leased CNX Gas Company LLC - Oil, Gas, CBM Leased Jeremiah Cordill Heirs OR Commonwealth of Virginia – All Minerals except Coal Commonwealth of Virginia - Surface (Tax Map 84A Parcel 00) 0.91 acres 1.1375%

2. Coal Mountain Mining Co. Limited Partnership, LLP Tr. 38 - All Minerals Consolidation Coal Company - Below Drainage Coal Leased CNX Gas Company LLC - CBM Leased (Tax Map 84A Parcel 102)
42.81 acres 53.5125%

2A. Charlie G. McGlothlin, et ux. - Surface
2B. James M. McGlothlin - Surface
2C. Grady G. McGlothlin, et ux. - Surface
2D. Kennith Thomas Osborne, et ux - Surface
2E. Daniel Lee Johnson, et ux. - Surface
2F. James T. Absher - Surface
2G. Commonwealth of Virginia - Surface

# Exhibit E Unit EE-37 Docket #VGOB 03-1021-1205-01 List of Conflicting Owners/Claimants that require escrow

		Acres in Unit	Interest in Unit
Tract #1A, 1.32 acres			
COAL OWNER	RSHIP		
Limited P.O. Bo	ountain Mining Company, Tr.18 Partnership, L.L.P. x 675 II, VA 24651	1.32 acres	1.6500%
OIL & GAS C	WNERSHIP		
1000 Co Canons	os Company LLC onsol Energy Drive burg, PA 15317 osly James M. McGlothlin, et ux)	1.32 acres	1.6500%
ract #1F, 6.96 acres			
COAL OWNER	RSHIP		
Limited P.O. Box	untain Mining Company, Tr.18 Partnership, L.L.P. x 675 I, VA 24651	6.96 acres	8.7000%
OIL & GAS O	WNERSHIP		
(1) James T P.O. Box Raven, V		6.96 acres	8.7000%
ract #1G, 6.05 acres			
COAL OWNER	SHIP		
Limited I P.O. Box	untain Mining Company, Tr.18 Partnership, L.L.P. 675 I, VA 24651	6.05 acres	7.5625%
OIL & GAS O	WNERSHIP		
(1) James T P.O. Box Raven, \		6.05 acres	7.5625%
ract #1H, 0.91 acres			
COAL OWNER	SHIP		
Limited F P.O. Box	untain Mining Company, Tr.18 Partnership, L.L.P. 675 , VA 24651	0.91 acres	1.1375%

# Exhibit E Unit EE-37 Docket #VGOB 03-1021-1205-01 List of Conflicting Owners/Claimants that require escrow

		Acres in Unit	Interest in Unit
OIL	& GAS OWNERSHIP		
(1	) Jerimiah Cordill Heirs, Devisees, Successors or Assigns Heirs / Addresses Unknown	0.91 acres	1.1375%
	- OR -		
(1	Commonwealth of Virginia Dept. of Transportation 870 Bonham Rd. Bristol, VA 24201-2002	0.91 acres	1.1375%

#### Exhibit EE Unit EE-37

#### Docket #VGOB 03-1021-1205-01

List of Conflicting Owners/Claimants with Royalty Agreements and/or Court Decisions

		Acres in Unit	Interest in Unit	Percent of Escrow
act #1B, 2	73 acres			
COAL	OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	2.73 acres	3.4125%	n/a
OIL 8	GAS OWNERSHIP			
(1)	Harold D. and Letha J. McGlothlin 4495 Roadridge Turnpike Raven, VA 24639	2.73 acres	3.4125%	n/a
ct #1C, 10	0.29 acres			
COAL	OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	10.29 acres	12.8625%	n/a
OIL 8	GAS OWNERSHIP			
(1)	Larry Absher, et ux. P.O. Box 907 Raven, VA 24639	10.29 acres	12.8625%	29.8607%
Note:	CBM ownership was adjudicated to the prevail The Corrected Final Order was executed June Coalbed Methane Gas underlying this tract.	ling plaintiffs under Case no. CL 1 13, 2011 and plantiffs were award	1-461 led 100% of the	
ct #1D, 5.	43 acres			
COAL	OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	5.43 acres	6.7875%	n/a
OIL &	GAS OWNERSHIP			
(1)	Joel Absher 4674 Road Ridge Turnpike Raven, VA 24639	5.43 acres	6.7875%	15.7574%
	(Previously Grady G. McGlothlin)			
Note:	CBM ownership was adjudicated to the prevail The Corrected Final Order was executed June Coalbed Methane Gas underlying this tract.	ling plaintiffs under Case no. CL 1 13, 2011 and plantiffs were award	1-461 ed 100% of the	

Page 1 of 2

8/2/11

### Unit EE-37 Docket #VGOB 03-1021-1205-01 List of Conflicting Owners/Claimants with Royalty Agreements and/or Court Decisions

	Acres in Unit	Interest in Unit	Percent of Escrow
<u> ract #1E, 3.50 acres</u>			
COAL OWNERSHIP			
(1) Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	3.50 acres	4.3750%	n/a
OIL & GAS OWNERSHIP			
(1) Jerry T. Absher, et ux.	3.50 acres	4.3750%	10.1567%

#### Exhibit EE

### Unit EE-37 Docket #VGOB 03-1021-1205-01

List of Conflicting Owners/Claimants with Royalty Agreements and/or Court Decisions

		Acres in Unit	Interest in Unit	Percent of Escrow
Tract #1E, 3.	50 acres			
COAL	OWNERSHIP			
(1)	Coal Mountain Mining Company, Tr.18 Limited Partnership, L.L.P. P.O. Box 675 Tazewell, VA 24651	3.50 acres	4.3750%	n/a
OIL 8	GAS OWNERSHIP			
(1)	Jerry T. Absher, et ux. 4276 Roadridge Turnpike Raven, VA 24639	3.50 acres	4.3750%	6 10.1567%
Note:	: CBM ownership was adjudicated to the prevailing plaintiffs under Case no. CL 11-461 The Corrected Final Order was executed June 13, 2011 and plantiffs were awarded 10 Coalbed Methane Gas underlying this tract.		11-461 ded 100% of the	•